

RECORDATION NO. 9739 Filed 1978

OCT 6 1978 - 11 29 AM

CRAVATH, SWAINE & MOORE INTERSTATE COMMERCE COMMISSION

ONE CHASE MANHATTAN PLAZA

NEW YORK, N.Y. 10005

212 HANOVER 2-3000

TELEX

RCA 233663

WUD 125547

WUI 620976

RECORDATION NO. 9739 A Filed 1978

OCT 6 1978 - 11 22 AM

INTERSTATE COMMERCE COMMISSION

COUNSEL

ROSWELL L. GILPATRIC  
ALBERT R. CONNELLY  
FRANK H. DETWEILER  
GEORGE G. TYLER

CARLYLE E. MAW  
L. R. BRESLIN, JR.  
GEORGE B. TURNER  
JOHN H. MORSE  
HAROLD R. MEDINA, JR.  
CHARLES R. LINTON

4, PLACE DE LA CONCORDE  
75008 PARIS, FRANCE  
TELEPHONE 265-81-54  
TELEX: 860530

33 THEOLOGY STREET  
LONDON, EC2N 2BR, ENGLAND  
TELEPHONE 01-606-1421  
TELEX: 8614901

CABLE ADDRESSES  
CRAVATH, N.Y.  
CRAVATH, PARIS  
CRAVATH, LONDON E.C. 2

FEE OPERATION BR.  
I.C.C. ST. P.

October 5, 1978

Richmond, Fredericksburg and Potomac  
Railroad Company

Dated as of July 15, 1978

9-1/4% Conditional Sale Indebtedness

Due April 1, 1996

[CS&M Ref.: 2043-850]

8-279A-27

OCT 6 1978

Date

Fee \$ 50

ICC Washington, D. C.

Dear Sir:

Pursuant to Section 20c of the Interstate Commerce Act and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Richmond, Fredericksburg and Potomac Railroad Company, for filing and recordation, counterparts of the following:

(a) Lease Agreement dated as of April 10, 1978, between Farmers Cooperative Association of Ralston and Jefferson, Iowa and Rex Railways, Inc.; and

(b) Assignment of Sublease and Agreement dated as of July 15, 1978, between Rex Railways, Inc., and Richmond, Fredericksburg and Potomac Railroad Company.

The addresses of the parties to the aforementioned agreements are:

Lessor-Lessee:

Rex Railways, Inc.,  
616 Palisade Avenue,  
Englewood Cliffs, New Jersey 07632.

MAURICE T. MOORE  
BRUCE BROMLEY  
WILLIAM B. MARSHALL  
RALPH L. McAFEE  
ROYALL VICTOR  
ALLEN H. MERRILL  
HENRY W. DE KOSMIAN  
ALLEN F. MAULSBY  
STEWART R. BROSS, JR.  
HENRY P. RIORDAN  
JOHN R. HUPPER  
SAMUEL C. BUTLER  
WILLIAM J. SCHRENK, JR.  
BENJAMIN F. CRANE  
FRANCIS F. RANDOLPH, JR.  
JOHN F. HUNT  
GEORGE J. GILLESPIE, III  
RICHARD S. SIMMONS  
WAYNE E. CHAPMAN  
THOMAS D. BARR  
MELVIN L. BEDRICK  
GEORGE T. LOWY  
ROBERT ROSENMAN

JAMES H. DUFFY  
ALAN J. HRUSKA  
JOHN E. YOUNG  
JAMES M. EDWARDS  
DAVID G. ORMSBY  
DAVID L. SCHWARTZ  
RICHARD J. HIEGEL  
FREDERICK A. O. SCHWARZ, JR.  
CHRISTINE BESHAR  
ROBERT S. RIFKIND  
DAVID O. BROWNWOOD  
PAUL M. DODYK  
RICHARD M. ALLEN  
THOMAS R. BROME  
ROBERT D. JOFFE  
ROBERT F. MULLEN  
ALLEN FINKELSON  
RONALD S. ROLFE  
JOSEPH R. SAHID  
PAUL C. SAUNDERS  
MARTIN L. SENZEL  
DOUGLAS D. BROADWATER  
ALAN C. STEPHENSON

1 Counterparts - Attached to [illegible]

NEW NUMBER

- A

Lessee:

Farmers Cooperative Association of Ralston  
and Jefferson, Iowa,  
Ralston, Iowa 51459.

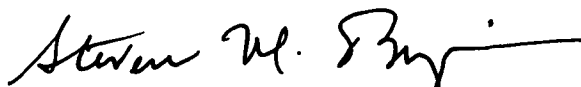
Lessor:

Richmond, Fredericksburg and Potomac  
Railroad Company,  
2134 West Laburnum Avenue,  
Richmond, Virginia 23230.

The equipment covered by the aforementioned agreements consists of 75 4,750 cubic feet standard 100-ton covered hopper cars bearing the road numbers of the lessee RREX 4101-4175 and also bearing the legend "Ownership Subject to a Security Agreement Filed under the Interstate Commerce Act, Section 20c".

Enclosed is our check for \$50 for the required recordation fee. Please accept for recordation one counterpart of each of the enclosed agreements, stamp the remaining counterparts with your recordation number and return them to the delivering messenger along with your fee receipt, addressed to the undersigned.

Very truly yours,



Steven M. Berzin,  
as Agent for Richmond,  
Fredericksburg and Potomac  
Railroad Company

Mr. H. G. Homme, Jr.,  
Acting Secretary,  
Interstate Commerce Commission,  
Washington, D. C. 20423

Encls.

27

BY HAND

**Interstate Commerce Commission**  
**Washington, D.C. 20423**

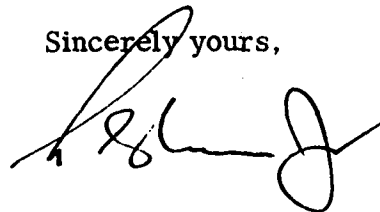
**OFFICE OF THE SECRETARY**

**Steven M. Berzin  
Cravath, Swaine & Moore  
One Chase Manhattan Plaza  
New York, NY 10005**

**Dear Mr. Berzin:**

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on **October 6, 1978** at **11:20 am** and assigned recordation number(s) **9739 and 9735-A**

Sincerely yours,

A handwritten signature in black ink, appearing to read 'H.G. Homme, Jr.', written over the typed name.

**H.G. Homme, Jr.,  
Acting Secretary**

**Enclosure(s)**

**SE-30-T  
(2/78)**

9739-A  
RECORDATION NO. Filed 1426

OCT 6 1978 11 22 AM

INTERSTATE COMMERCE COMMISSION

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ASSIGNMENT OF SUBLEASE AND AGREEMENT

between

REX RAILWAYS, INC.

and

RICHMOND, FREDERICKSBURG AND POTOMAC  
RAILROAD COMPANY

Dated as of July 15, 1978

---

ASSIGNMENT OF SUBLEASE AND AGREEMENT  
dated as of July 15, 1978, between REX  
RAILWAYS, INC. (hereinafter, together with the  
successors and assigns, called the Lessee),  
and RICHMOND, FREDERICKSBURG AND POTOMAC  
RAILROAD COMPANY (hereinafter, together with  
its successors and assigns, called the Lessor).

WHEREAS the Lessor has entered into a Conditional  
Sales Agreement dated as of July 15, 1978 (the "CSA"), with  
PULLMAN INCORPORATED (Pullman Standard Division) (the  
"Builder"), wherein the Builder has agreed to manufacture,  
sell and deliver to the Lessor the railroad equipment  
described in Annex B thereto (the "Units").

WHEREAS the Lessor and the Lessee have entered  
into a Lease of Railroad Equipment dated as of July 15,  
1978 (the "Lease"), providing for the leasing by the  
Lessor to the Lessee of the Units.

WHEREAS the Lessee has entered into Lease Agree-  
ments dated as of April 10, 1978 (each such Lease Agreement  
being hereinafter called a Sublease), with each of the  
parties specified in Schedule A hereto (each such party being  
hereinafter called a Sublessee) providing for the leasing by  
the Lessee to each Sublessee of certain of the Units, as  
specified opposite such Sublessee's name in Schedule A  
hereto.

WHEREAS it is provided in the Lease that the  
Lessee shall assign to the Lessor the Lessee's interest in  
such Subleases and the Lessee's rights to the rentals and  
other payments due thereunder, such assignment to be effec-  
tive upon the occurrence of an Event of Default under the  
Lease and as defined therein.

NOW, THEREFORE, in consideration of the premises  
and of the payments to be made and the covenants hereinafter  
mentioned to be kept and performed, the parties hereto agree  
as follows:

1. Subject to the provisions of Paragraph 9  
hereof, the Lessee hereby assigns, transfers and sets over  
unto the Lessor, as collateral security for the payment and  
performance of the Lessee's obligations under the Lease, all  
the Lessee's right, title and interest, powers, privileges,  
and other benefits under each Sublease, including, without

limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessee from appropriate Sublessee under or pursuant to the provisions of such Sublease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of any event of default specified in such Sublease, and to do any and all other things whatsoever which the Lessee is or may become entitled to do under such Sublease. In furtherance of the foregoing assignment, the Lessee hereby irrevocably authorizes and empowers the Lessor in its own name, or in the name of its nominee, or in the name of the Lessee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Lessee is or may become entitled under any Sublease, and to enforce compliance by the appropriate Sublessee with all the terms and provisions thereof.

2. This Sublease Assignment is executed only as security of the obligations of the Lessee under the Lease and, therefore, the execution and delivery of this Sublease Assignment shall not subject the Lessor to, or transfer, or pass, or in any way affect or modify the liability of the Lessee under any Sublease, it being understood and agreed that notwithstanding this Sublease Assignment or any subsequent assignment, all obligations of the Lessee to each Sublessee shall be and remain enforceable by such Sublessee, its successors and assigns, against, and only against, the Lessee or persons other than the Lessor.

3. Subject to the provisions of Paragraph 9 hereof, the Lessee does hereby constitute the Lessor the Lessee's true and lawful attorney, irrevocably, with full power (in the name of the Lessee, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of each Sublease to which the Lessee is or may become entitled, to enforce compliance by the appropriate Sublessee with all the terms and provisions of each Sublease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Lessor may seem to be necessary or advisable in the premises.

4. Upon the full discharge and satisfaction of all the Lessee's obligations under the Lease, this Sublease

Assignment and all rights herein assigned to the Lessor shall terminate, and all estate, right, title and interest of the Lessor and in and to each Sublease shall revert to the Lessee, but the Lessor shall execute and deliver such documents as the Lessee may reasonably request in order to confirm, or make clear upon public records, such termination and/or reversion.

5. The Lessee will pay and discharge any and all claims, liens, charges or security interests (other than created by the CSA) on each Sublease or the rentals or other payments due or to become due thereunder claimed by any party from, through or under the Lessee, or its successors and assigns, not arising out of the transactions contemplated by the CSA or any Sublease or the Lease (but including tax liens arising out of the receipt of the income and proceeds from the appropriate Units) unless such claims, liens, charges or security interests would rank subordinate to the interests of the Lessor in and to each Sublease or the Lease or such rentals or other payments, or unless the Lessee shall be contesting the same in good faith by appropriate proceedings in any reasonable manner and the nonpayment thereof does not materially adversely affect such interests of the Lessor.

6. The Lessee will, from time to time, execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Lessor in order to confirm or further assure the interest of the Lessor hereunder.

7. The Lessor may assign all or any of the rights assigned to it hereby or arising under any Sublease, including, without limitation, the right to receive any Payments due or to become due and the power to act as the appropriate Sublessee's true and lawful attorney. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Lessor hereunder. The Lessor will give written notice to the Lessee and the appropriate Sublessee of any such assignment.

8. This Sublease Assignment shall be governed by the laws of the Commonwealth of Virginia, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

9. The Lessor hereby agrees with the Lessee that, so long as no Event of Default, or any event which

with lapse of time or notice or both would constitute such an Event of Default, under the Lease has occurred and is then continuing, the Lessor will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Lessee to the Lessor by this Sublease Assignment (including any right to receive the Payments), and that, subject to the terms of each Sublease, the Lease and the CSA, the Lessee may, so long as no Event of Default or event which with notice or lapse of time or both would constitute such an Event of Default under the Lease has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, its rights, powers, privileges and remedies under each Sublease.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

REX RAILWAYS, INC.,

by

Robert W. Shuber  
PRESIDENT

[Corporate Seal]

Attest:

Sam A. Mullock  
Asst. Secretary

RICHMOND, FREDERICKSBURG AND  
POTOMAC RAILROAD COMPANY,

by

J. J. Newbauer Jr.  
Vice President

[Corporate Seal]

Attest:

E. a. Wallace  
SECRETARY



STATE OF *New Jersey* )  
COUNTY OF *Bergen* ) ss.:

On this *3rd* day of *October*, 197*8*, before me personally appeared *Robert H. Gucken*, to me personally known, who, being by me duly sworn, says that he is *President* of REX RAILWAYS, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its *Board*, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Rubin Schertz*  
Notary Public

[Notarial Seal]

My Commission Expires

RUBIN SCHERTZ  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires May 4, 1982

COMMONWEALTH OF VIRGINIA, )  
COUNTY OF RICHMOND, ) ss.:

On this *29th* day of *September*, 197*8*, before me personally appeared J. J. NEWBAUER, JR., to me personally known, who, being by me duly sworn, says that he is a *Vice President* of RICHMOND, FREDERICKSBURG AND POTOMAC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its *Board*, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*George B. Harris Jr*  
Notary Public

[Notarial Seal]

My Commission Expires *August 22, 1980.*

## SCHEDULE A

<u>Sublessee</u>	<u>Quantity</u>	<u>Lessee's Road Numbers (Both Inclusive)</u>
Farmers Cooperative Assn. of Ralston and Jefferson, Iowa	75	RREX 4101-4175
Farmers Cooperative Co. of Farnhamville, Iowa	5	RREX 4176-4180
Albert City Elevator of Albert City, Iowa	25	RREX 4181-4205
West Bend Elevator Company of West Bend, Rodman and Mallard, Iowa	25	RREX 4206-4230
Klemme Cooperative Grain Co., Klemme, Iowa	25	RREX 4231-4255
New Cooperative, Inc. of Vincent, Iowa	31	RREX 4256-4286